Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Weekly Cattle Market Update

For the Week Ending January 19, 2018

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)								
Feeder Steers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800-900**	**900+ lb.**
Jan. 19/2018	Average	**$236.83**	**$234.50**	**$220.13**	**$198.63**	**$185.75**	**$177.67**	**N/A**
Jan. 19/2018	Range	**230-269**	**223-252**	**208-232**	**193-212**	**179-195**	**172-187**	**N/A**
week/week	Change	-$8.30	-$8.50	-$5.50	-$12.17	-$14.75	-$12.16	**N/A**
Jan. 12/2018	Average	**$245.13**	**$243.00**	**$225.63**	**$210.80**	**$200.50**	**$189.83**	**N/A**
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Jan. 19/2018	Average	**$208.50**	**$199.88**	**$186.67**	**$175.50**	**$168.67**	**$164.88**	
Jan. 19/2018	Range	**196-222**	**189-215**	**182-200**	**168-185**	**164-175**	**156-174**	
week/week	Change	-$1.00	-$8.25	-$7.96	-$9.88	-$7.58	-$8.62	
Jan. 12/2018	Average	**$209.50**	**$208.13**	**$194.63**	**$185.38**	**$176.25**	**$173.50**	

Source: Canadian data is provide by CanFax and cannot be redistributed without Canfax consent (www.canfax.ca).
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Wednesday the current week. N.A. means not available due to lack of sufficient data.

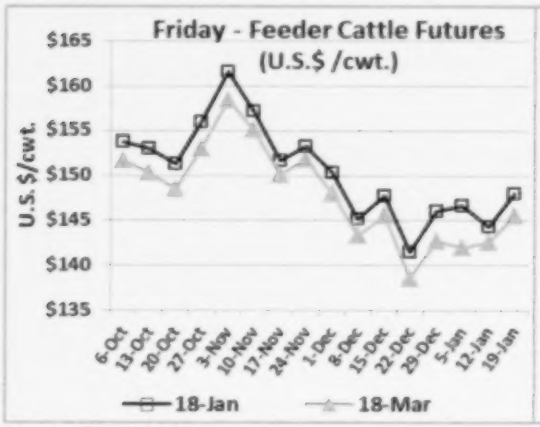
Canfax reported that a total of 10,414 head of cattle were sold in Saskatchewan this week, up from 8,249 head the previous week, but down from 14,924 head the same week a year ago.

Saskatchewan feeder steer prices were lower in all reported weight categories over the week. Saskatchewan feeder steer prices declined between $5.50 per cwt and $14.75 per cwt over the week. The largest price decline was in the 700-800 lb. feeder steer weight category. On average, feeder steer prices declined by over $10 per cwt over the week.

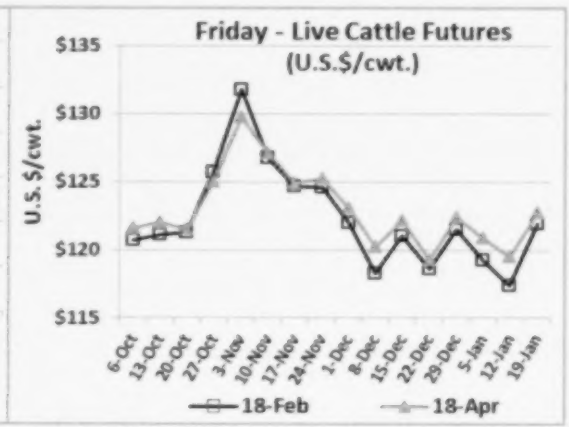
Saskatchewan feeder heifer prices were also lower in all weight categories over the week. Feeder heifer prices declined between $1.00 per cwt and $9.88 per cwt. The largest price decline was in the 600-700 lb. weight category. On average, feeder heifer prices declined by over $7 per cwt over the week. Saskatchewan feeder cattle prices are provided by Canfax (#403-275-5110) or (www.canfax.ca) and cannot be redistributed without permission.

The Saskatchewan 750 lb. feeder steer basis compared to the January 18, 2018, U.S. feeder cattle index at US$148.01 per cwt was calculated at (+$1.34) per cwt ($185.75 - US$148.01/0.8026, a basis weakening of $15.59 per cwt from the basis of (+$16.93) per cwt from January 11, 2018.

Feeder cattle daily futures prices were mixed but overall higher with strong gains on Wednesday to help push prices higher, week-over-week. The January feeder cattle contract increased US$3.600 per cwt over the week to settle Friday at US$147.950 per cwt; while the March 2018 feeder cattle futures contract increased US$2.950 per cwt over the week to settle Friday at US$145.600 per cwt.



Source: CME, LMIC



Source: CME, LMIC

Live daily cattle futures prices were primarily higher over the week with strong gains on Wednesday to push prices higher, week-over-week. The nearby February contract increased US$4.525 per cwt over the week to settle Friday at US$121.900 per cwt; while the April contract increased US$3.275 per cwt over the week to settle Friday at US$122.725 per cwt.

Fed and Non-fed Cattle

	January 19, 2018	January 12, 2018	Week Over Week
Steers (Alberta)			
Live	$164.16	$165.66	-$1.50
Rail	$269.00 to $276.50	$272.00 to $280.00	-$3 to -$3.50
Cows (Alberta)			
D1,2 Live	$94.08	$95.70	-$1.62
D3 Live	$84.40	$85.25	-$0.85
Rail	$181-186	$183-188	-$2.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were lower over the week. The price of D1,2 slaughter cows declined $1.62 per cwt to average $94.08 per cwt; while the price of D3 slaughter cows declined $0.85 per cwt to average $84.40 per cwt.

Fed cattle prices for Alberta fed steers averaged $164.16 per cwt over the week, a decline of $1.50 per cwt from $165.66 per cwt the previous week. Western Canadian slaughter cattle prices are provided by Canfax and cannot be redistributed without their permission. www.canfax.ca)

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$122.89 per cwt, up US$2.97 per cwt or 2.5 percent from US$119.92 per cwt the previous week; and up 0.8 per cent from US$121.89 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$194.89 per cwt, up US$3.17 per cwt or 1.6 per cent from US$191.72 per cwt the previous week, and slightly higher than US$194.80 per cwt the same week a year ago.

Friday Price Information

Product		This Week (Jan. 19, 2018)	Week of: (Jan. 12, 2018)	Week of: (Jan. 20, 2017)
Canadian Dollar (closing rate US$)		.8026	.7997	.7504
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		148.01	146.80	133.28
Seven-day Weighted Average FC Index Wt. (lb.)		788	785	780
Live Fed 5-area Steer Price (US$ per cwt)		122.89	119.92	121.89
Feed Grains				
Barley	Lethbridge ($/tonne)	220.00	220.00	164.00
	($ per bu.)	4.79	4.79	3.57
Corn	Iowa State Average (CDN$/tonne)*	154.51	152.12	174.70
	(US$ per bu.)	3.15	3.09	3.33
	Omaha, NE (CDN$/tonne)*	164.32	162.45	181.00
	(US$ per bu.)	3.35	3.30	3.45
Futures				
	March Corn (US$ per bu.)	3.52 ½	3.46 ¼	3.69 ¾
	May Corn (US$ per bu.)	3.60 ¾	3.54 ¾	3.76 ¼
	February Live Cattle (US$ per cwt)	121.900	117.375	120.250
	April Live Cattle (US$ per cwt)	122.725	119.450	118.975
	January Feeder Cattle (US$ per cwt)	147.950	144.350	133.100
	March Feeder Cattle (US$ per cwt)	145.600	142.650	131.275

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship.
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate.

Beef production for the week ending January 20, 2018 was estimated at 514.0 million lb., up 0.7 per cent from 510.6 million lb. the previous week, and up 9.8 per cent from 468.3 million lb. the same week a year ago. Cattle slaughtered over the week were estimated at 615,000 head, up 0.7 per cent from 611,000 head the previous week, and up 7.7 per cent from 571,000 head the same week a year ago.

U.S. choice beef cutout prices (600-900 lb.) averaged US$205.89 per cwt over the week, down US$3.72 per cwt or 1.8 per cent from US$209.61 per cwt the previous week, but up 7.4 per cent from US$191.65 per cwt the same week a year ago.

USDA World Agricultural Supply and Demand Estimates (WASDE)

The January USDA WASDE report revised the 2017 United States Red Meat and Poultry production slightly lower to 100.091 billion lb. from 100.155 billion lb. in the December estimates. United States meat production for 2017 was estimated to be 2.5 per cent higher compared to 2016. Leading the way in meat production increases in 2017 (by percent) were to come from beef (+3.8%), pork (+2.6%) and broilers (+2.2%). Pork production estimates for 2017 were estimated at 25.585 billion lb. in the January estimates, up slightly from the December estimates.

USDA January World Agricultural Supply and Demand Estimates

		Million Pounds				Total Red Meat
	Quarter	Beef	Pork	Broiler	Turkey	& Poultry
2014	**Annual**	**24,252**	**22,843**	**38,550**	**5,756**	**92,171**
2015	**Annual**	**23,698**	**24,501**	**40,048**	**5,627**	**94,630**
2016	**Annual**	**25,221**	**24,941**	**40,695**	**5,981**	**97,612**
2017	Dec. Proj.	26,305	25,560	41,541	5,997	100,155
2017	**Jan. Proj.**	**26,175**	**25,585**	**41,591**	**5,987**	**100,091**
% Chg.	Dec. to. Jan.	-0.49%	0.10%	0.12%	-0.17%	-0.06%
% Chg.	**2016 to 2017**	**3.78%**	**2.58%**	**2.20%**	**0.10%**	**2.54%**
2018	**Jan. 2018 Proj.**	**27,760**	**26,960**	**42,450**	**6,000**	**103,938**
% Chg.	**2017 to 2018**	**6.06%**	**5.37%**	**2.07%**	**0.22%**	**3.84%**

Source: USDA January WASDE Report, January 12, 2018

U.S. Red Meat and Poultry production for 2018 is expected to further increase from the current 2017 projections by an estimated 3.8 billion lb. (+3.8 per cent) to reach 103.9 billion lb. of meat production. Beef production is projected to lead the way in 2018 with increases of 6.1 per cent, followed by pork (+5.4 per cent), and broilers (+2.1 per cent). (Source: USDA WASDE) Beef production increases are projected to come from higher cattle placements late in 2017; along with heaver expected carcass weights. Pork production increases for 2018 are projected to come from the larger pig crop in the September-to-November quarter (USDA Hogs & Pigs Report); along with increased farrowing numbers projected for the first half of 2018.

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